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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-920]

Lightweight Thermal Paper from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2015-2016

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Department) is conducting an administrative review of the antidumping duty order on lightweight thermal paper (LWTP) from the People's Republic of China (PRC). The period of review (POR) is November 1, 2015, through October 31, 2016. The review covers three exporters of subject merchandise: Shenzhen Formers Printing Co., Ltd. (Formers), Sailing International Limited (Sailing), and Suzhou Xiandai Paper Production Co (Xiandai). The Department preliminarily finds that Formers, Sailing, and Xiandai have not demonstrated eligibility for a separate rate in this segment of the proceeding, and therefore, for the preliminary results, we are treating Formers, Sailing, and Xiandai as part of the PRC-wide entity. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Alex Rosen, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-7814.

SUPPLEMENTARY INFORMATION:

Background

On January 13, 2017, the Department initiated the eighth administrative review of the antidumping duty order on LWTP from the PRC on three exporters: Formers, Sailing, and Xiandai.¹ In the *Initiation Notice*, the Department stated that all firms identified in the notice that wished to qualify for separate rate status in the administrative review must complete either a separate rate application or certification, due to the Department no later than 30 calendar days after the publication of the notice, *i.e.*, February 13, 2017.² None of the respondents—Formers, Sailing, and Xiandai—timely submitted either a complete separate rate application or separate rate certification or a statement of “no shipments” during the POR. Nevertheless, per our practice, on March 16, 2017, the Department uploaded and released onto the administrative record of this proceeding an antidumping questionnaire to each exporter, Formers, Sailing, and Xiandai. However, due to an inadvertent oversight, the Department did not issue a physical copy of the questionnaire to any respondent, as is the Department’s practice when foreign firms are not represented by counsel in the United States or representatives thereof have not otherwise contacted the Department, and thus, the Department was unable to confirm whether parties received the questionnaire. Therefore, on July 28, 2017, the Department reissued the antidumping questionnaire to Formers, Sailing and Xiandai, served physical copies of the questionnaires on all the respondents in accordance with its standard practice, and extended the due date of the questionnaire response.³ On September 7, 2017, the Department requested a U.S.

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 82 FR 4294 (January 13, 2017) (*Initiation Notice*).

² *Id.* at 4295.

³ See Memorandum, “Due Date to Respond to the Department’s Initial Questionnaire,” dated July 28, 2017.

Customs and Border Protection (CBP) data file of entries of subject merchandise associated with Sailing, Formers or Xiandai during the POR. On September 11, 2017, the Department received a response to its request indicating there were no suspended AD/CVD entries associated with Sailing, Formers or Xiandai during the POR.⁴ For a complete description of the events that followed the initiation of this administrative review, *see* the Preliminary Decision Memorandum.⁵

Scope of the Order

The merchandise covered by this order includes certain lightweight thermal paper, which is thermal paper with a basis weight of 70 grams per square meter (g/m²) (with a tolerance of \pm 4.0 g/m²) or less; irrespective of dimensions;⁶ with or without a base coat⁷ on one or both sides; with thermal active coating(s)⁸ on one or both sides that is a mixture of the dye and the developer that react and form an image when heat is applied; with or without a top coat;⁹ and without an adhesive backing. Certain lightweight thermal paper is typically (but not exclusively) used in point-of-sale applications such as ATM receipts, credit card receipts, gas pump receipts, and retail store receipts. The merchandise subject to this order may be classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 3703.10.60, 4811.59.20, 4811.90.8040, 4811.90.9090, 4820.10.20, 4823.40.00, 4811.90.8030, 4811.90.8050,

⁴ See Memorandum, "U.S. Customs and Border Protection Import Data," dated September 11, 2017.

⁵ See Memorandum, "Decision Memorandum for Preliminary Results of the 2015-2016 Antidumping Duty Administrative Review: Lightweight Thermal Paper from the People's Republic of China" (Preliminary Decision Memorandum), dated concurrently with and hereby adopted by this notice.

⁶ LWTP is typically produced in jumbo rolls that are slit to the specifications of the converting equipment and then converted into finished slit rolls. Both jumbo and converted rolls (as well as LWTP in any other form, presentation, or dimension) are covered by the scope of these orders.

⁷ A base coat, when applied, is typically made of clay and/or latex and like materials and is intended to cover the rough surface of the paper substrate and to provide insulating value.

⁸ A thermal active coating is typically made of sensitizer, dye, and co-reactant.

⁹ A top coat, when applied, is typically made of polyvinyl acetone, polyvinyl alcohol, and/or like materials and is intended to provide environmental protection, an improved surface for press printing, and/or wear protection for the thermal print head.

4811.90.9030, and 4811.90.9050.^{10,11} Although HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

Methodology

The Department is conducting this review in accordance with section 751(a)(1)(B) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.213. For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. A list of topics included in the Preliminary Decision Memorandum is included in the Appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and ACCESS is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the internet at <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

¹⁰ HTSUS subheading 4811.90.8000 was a classification used for LWTP until January 1, 2007. Effective that date, subheading 4811.90.8000 was replaced with 4811.90.8020 (for gift wrap, a non-subject product) and 4811.90.8040 (for "other" including LWTP). HTSUS subheading 4811.90.9000 was a classification for LWTP until July 1, 2005. Effective that date, subheading 4811.90.9000 was replaced with 4811.90.9010 (for tissue paper, a non-subject product) and 4811.90.9090 (for "other," including LWTP).

¹¹ As of January 1, 2009, the International Trade Commission deleted HTSUS subheadings 4811.90.8040 and 4811.90.9090 and added HTSUS subheadings 4811.90.8030, 4811.90.8050, 4811.90.9030, and 4811.90.9050 to the *Harmonized Tariff Schedule of the United States (2009)*. *See Harmonized Tariff Schedule of the United States (2009)*, available at www.usitc.gov. These HTSUS subheadings were added to the scope of the order in LWTP's LTFV investigation.

Separate Rates and Preliminary Results of Review

Because Sailing and Xiandai did not respond to the Department's antidumping duty questionnaire, the Department preliminarily determines that Sailing and Xiandai did not establish their eligibility for separate rate status.

In its submissions to the Department, Formers submitted information indicating that it made sales to U.S. customers during the POR which includes subject merchandise, but Formers did not provide evidence of a suspended entry of subject merchandise into the United States during the POR. Further, our inquiry of the CBP data reported no suspended AD/CVD entries of subject merchandise associated with Formers during the POR. Accordingly, Formers did not establish its eligibility for separate rate status.

Therefore, the Department preliminarily determines that these three companies are part of the PRC-wide entity. Because no party requested a review of the PRC-wide entity, the entity is not under review, and the PRC-wide entity's rate of 115.29 percent from the investigation is not subject to change.¹² For additional information regarding this determination, *see* the Preliminary Decision Memorandum.

Public Comment and Opportunity to Request a Hearing

Interested parties may submit case briefs within 30 days after the date of publication of these preliminary results of review in the *Federal Register*.¹³ Rebuttals to case briefs must be limited to issues raised in the case briefs and must be filed within five days following the time limit for filing case briefs.¹⁴ Parties who submit arguments are requested to submit with the

¹² *See Antidumping Duty Orders: Lightweight Thermal Paper from Germany and the People's Republic of China*, 73 FR 70959, 70960 (November 24, 2008).

¹³ *See* 19 CFR 351.309(c)(1)(ii).

¹⁴ *See* 19 CFR 351.309(d)(1)-(2).

argument (a) a statement of the issue, (b) a brief summary of the argument, and (c) a table of authorities.¹⁵ Parties submitting briefs should do so pursuant to the Department's electronic filing system, ACCESS.¹⁶

Any interested party may request a hearing within 30 days of publication of this notice.¹⁷ Hearing requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230.¹⁸

The Department intends to issue the final results of this administrative review, which will include the results of our analysis of all issues raised in the case briefs, within 120 days of publication of these preliminary results in the *Federal Register*, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review. Because all three respondents are found to be ineligible for a separate rate, the Department will instruct CBP to liquidate all appropriate entries at 115.29 percent, *i.e.*, the rate for the PRC-wide entity. The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review.

¹⁵ See 19 CFR 351.309(c)(2), (d)(2).

¹⁶ See 19 CFR 351.303 (for general filing requirements).

¹⁷ See 19 CFR 351.310(c).

¹⁸ See 19 CFR 351.310(d).

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) for previously investigated or reviewed PRC and non-PRC exporters who are not under review in this segment of the proceeding but who have a separate rate from the completed segment for the most recent period, the cash deposit rate will continue to be the exporter-specific rate published for that most recent period; (2) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be rate for the PRC-wide entity, 115.29 percent; and (3) for all non-PRC exporters of subject merchandise which have not received their own separate rate, the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

This administrative review and notice are in accordance with sections 751(a)(1) and 777(i) of the Act and 19 CFR 351.213.

Carole Showers
Executive Director, Office of Policy
performing the duties of the Deputy Assistant Secretary
for Enforcement and Compliance

Dated: November 27, 2017.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Discussion of the Methodology
- V. Recommendation

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